#### ORDINANCE NO. 2001-002

2	AN ORDINANCE OF THE BOARD OF COUNTY
3	COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA,
4	AMENDING CHAPTER 17, ARTICLE IV OF THE PALM
5	BEACH COUNTY CODE, (ORDINANCE NO. 92-19),
6	PERTAINING TO SECONDHAND DEALERS; PROVIDING
7	FOR TITLE; PROVIDING FOR DEFINITIONS AND
8	EXCEPTIONS; PROVIDING FOR RECORDS OF
9	TRANSACTION; PROVIDING FOR RETENTION OF
10	RECORDS; PROVIDING FOR INSPECTION OF RECORDS
11	AND PREMISES; PROVIDING FOR HOLDING PERIOD
12	(SALE TRANSACTIONS); PROVIDING FOR DUTY TO
13	REPORT; PROVIDING FOR STOLEN GOODS; PETITION
14	FOR RETURN; PROVIDING FOR CERTAIN ACTS AND
15	PRACTICES PROHIBITED; PROVIDING FOR PERMIT
16	REQUIRED; APPLICATION; FEE; RENEWAL; PROVIDING
17	FOR SECONDHAND DEALERS; DISPOSAL OF PROPERTY;
	,
18	PROVIDING FOR DENIAL, REVOCATION OR SUSPENSION
19	OF PERMIT; PROVIDING FOR PENALTY; PROVIDING
20	FOR APPLICABILITY; PROVIDING FOR REPEAL OF
21	LAWS IN CONFLICT; PROVIDING FOR SEVERABILITY;
22	PROVIDING FOR INCLUSION IN THE CODE OF LAWS
23	AND ORDINANCES; AND PROVIDING FOR AN EFFECTIVE
24	DATE.
25	WHEREAS, Chapter 538, Part I, Florida Statutes, provides for the regulation
4 5	TTILLIAN, CHAPTEL 330, FAIL I. FIOLIDA STATUTES, DIOVIDES TOT THE TERRITOR

WHEREAS, Chapter 538, Part I, Florida Statutes, provides for the regulation of secondhand dealers, precious metal dealers, and pawnbrokers; and

WHEREAS, pursuant to Section 538.17, Florida Statutes, local governments are authorized to enact laws more restrictive than those set forth in the statutory provisions; and

WHEREAS, in 1992, the Sheriff of Palm Beach County indicated that thieves and burglars dispose large quantities of stolen goods at various secondhand stores and other locations in Palm Beach County; and

WHEREAS, Ordinance No. 92-19 was adopted by the Palm Beach County Board of County Commissioners in response to the rapid increase in the number of secondhand dealers conducting business in the County; and

WHEREAS, based on changes to state statute, an ordinance amendment is necessary; and WHEREAS, the interests and general welfare of the residents of Palm Beach County will

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

Section 1. TITLE.

best be served by the enactment of this Ordinance.

This Ordinance shall be known as and may be cited as the "Secondhand Dealer Ordinance

of Palm Beach County".

# Section 2. DEFINITIONS AND EXCEPTIONS.

- (a) Secondhand dealer means any person, corporation, or other business organization or entity which is not a secondary metals recycler subject to chapter 538, Part II, Florida Statutes, nor a pawnbroker licensed under the Florida Pawnbroking Act, Chapter 539, Florida Statutes, and which is engaged in the business of purchasing, consigning or pawning secondhand goods. Except as provided in subsection (1) herein, all references to the term shall also be a reference to the terms precious metals dealer; jewelers, garage sale operator, secondhand store, consignment shop and pawnbroker.
- (b) Precious metals dealer means a secondhand dealer who normally or regularly engages in the business of buying used precious metals for resale. The term does not include those persons involved in the bulk sale of precious metals from one secondhand or precious metals dealer to another.
- (c) Pawnbroker means any person, corporation or other business organization or entity which is regularly engaged in the business of making pawns, but does not include a financial institution as defined in section 655.005, Florida Statutes, nor a pawnbroker licensed under the Florida Pawnbroking Act, Chapter 539, Florida Statutes, or any person who regularly loans money or any other thing of value on stocks, bonds, or other securities.
  - (d) Pawn means either of the following transactions:
- (1) Loan of money: A written or oral bailment of personal property as security for an engagement or debt, redeemable on certain terms and with the implied power of sale on default.
- (2) Buy-sell agreement: An agreement whereby a purchaser agrees to hold property for a specified period of time to allow the seller the exclusive right to repurchase the property. A buy-sell agreement is not a loan of money.
- (e) Secondhand store means the place or premises at which a secondhand dealer is registered to conduct business as a secondhand dealer, or conducts business, including pawnshops.
- (f) Consignment shop means a shop engaging in the business of accepting for sale, on consignment, secondhand goods which, having once been used or transferred from the manufacturer to the dealer, are then received into the possession of a third party.
  - (g) Secondhand goods means personal property previously owned or used, which is not

4 5

1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		

20

21

22

23

24

25

26

27

2.8

29

30

regulated metals property regulated under chapter 538, Part II, Florida Statutes, and which is purchased, consigned or pawned as used property. Such secondhand goods shall be limited to watches; diamonds, gems, and other precious stones; fishing rods, reels and tackle; audio and video electronic equipment, including television sets, compact disc players, radios, amplifiers, receivers, turntables, tape recorders; videotape recorders; speakers and citizens' band radios; computer equipment; radar detectors; depth finders; trolling motors; outboard motors; sterling silver flatware and serving pieces; photographic equipment, including cameras, video and film cameras, lenses, electronic flashes, tripods, and developing equipment; microwave ovens; animal fur coats; marine equipment; video games and cartridges; power lawn and landscape equipment; office equipment such as copiers, fax machines, and postage machines, but excluding furniture; sports equipment; golf clubs; weapons, including knives, swords, and air guns; telephones, including cellular and portable; firearms; tools; calculators; musical instruments, excluding pianos and organs; lawn mowers; bicycles; typewriters; motor vehicles; gold, silver, platinum, and other precious metals, excluding coins; and jewelry, excluding costume jewelry.

- (h) Transaction means any purchase, consignment, or pawn of secondhand goods by a secondhand dealer.
- (i) Precious metals means any item containing any gold, silver, or platinum, or any combination thereof, excluding:
- (1) Any chemical or any automotive, photographic, electrical, medical, or dental materials or electronic parts.
  - (2) Any coin with an intrinsic value less than its numismatic value.
  - (3) Any gold bullion coin.
- (4) Any gold, silver, or platinum bullion that has been assayed and is properly marked as to its weight and fineness.
  - (5) Any coin which is mounted in a jewelry setting.
  - (j) Pledge means pawn or buy-sell agreement.
- (k) Convicted; Convictions means and shall include a verdict after trial, an adjudication of guilt or a plea of guilty or nolo contendere or the forfeiture or estreater of a bond when charged with a crime or ordinance violation.
  - (1) Exceptions: This Ordinance does not apply to

1	(1) Any secondhand goods transaction involving an organization or entity
2	registered with the state as a nonprofit, religious, or charitable organization or any school-sponsored
3	association or organization other than a secondary metals recycler subject to the provisions of
4	Chapter 538, Part II Florida Statutes;
5	<ol> <li>A law enforcement officer acting in an official capacity;</li> </ol>
6	(3) A trustee in bankruptcy, executor, administrator, or receiver who has
7	presented proof of such status to the secondhand dealer;
8	(4) Any public official acting under judicial process or authority who has
9	presented proof of such status to the secondhand dealer;
10	(5) A sale on the execution, or by virtue of any process issued by a court, if proof
11	thereof has been presented to the secondhand dealer;
12	(6) Any garage sale operator who holds garage sales less than 10 weekends per
13	year;
14	(7) Any person at antique, coin, or collectible shows or sales;
15	(8) Any person who sells household personal property as an agent for the property
16	owner or their representative pursuant to a written agreement at that person's residence;
17	(9) The purchase, consignment, or pawn of secondhand goods from one
18	secondhand dealer to another secondhand dealer when the selling secondhand dealer has complied
19	with the requirements of this Ordinance;
20	(10) Any person accepting a secondhand good as a trade-in for a similar item of
21	greater value;
22	(11) Any auction business as defined in s.468.382(1) Florida Statutes;
23	(12) Any business that is registered with the Department of Revenue for sales tax
24	purposes as an antique dealer pursuant to Chapter 212, Florida Statutes, and that purchases
25	secondhand goods from the property owner or her or his representative at the property owner's
26	residence pursuant to a written agreement that states the name, address, and telephone number of the
27	property owner and the type of property purchased;
28	(13) Any person purchasing, consigning, or pawning secondhand goods ordered
29	by mail, computer-assisted shopping, media-assisted, media-facilitated, or media-solicited shopping
3 0	or shopping by other means of media communication. including, but not limited to, direct mail

1	advertising, unsolicited distribution of catalogs, television, radio, or other electronic media,
2	telephone, magazine, or newspaper advertising, so long as such person is in this state at the time of
3	the order;
4	(14) A motor vehicle dealer as defined in s.320.27, Florida Statutes.
5	(m) The provisions of this Ordinance do apply to any person purchasing, consigning, or
6	pawning secondhand goods at a flea market regardless of whether at a temporary or permanent
7	business location at the flea market.
8	Section 3. RECORDS OF TRANSACTION.
9	(a) Secondhand dealers shall keep,on the premises, a record of all transactions of
10	secondhand goods by completing the form required by Chapter 538, Florida Statutes. Within twenty-
11	four (24) hours of the acquisition of any secondhand goods by purchase, or pledge as security for a
12	loan, a secondhand dealer shall deliver to the sheriff's office or the municipal police department in
13	the municipality where the premises are located a copy of the transaction on the designated form.
14	Such record shall contain:
15	(1) a. The time, date, and place of the transaction.
16	b. A complete and accurate description of the goods acquired, including
17	any serial numbers, manufacturer's numbers, or other identifying
18	marks or characteristics.
19	c. A description of the person from whom the goods were acquired,
20	including:
21	1. Full name, address, workplace, and home and work telephone
22	numbers.
23	2. Height, weight, date of birth, race, gender, hair color, eye
24	color, and any other identifying marks.
25	3. A legible right thumbprint of the person from whom the item
26	is acquired to be affixed to all forms delivered to the Sheriff's
27	Office.
28	d. Any other information required by the form.
29	(2) The secondhand dealer shall require verification of the identification of
30	persons from whom secondhand goods are being obtained by requiring the exhibition of a federal,

state, or local government-issued photographic identification card such as a driver's license or military identification card. The record shall contain the type of identification exhibited, the issuing agency, and the number thereon.

(3) The seller shall sign a statement verifying that the seller is the rightful owner of the goods or is empowered to sell, pledge, or otherwise dispose of the goods.

# Section 4. RETENTION OF RECORDS.

2.7

Each secondhand dealer shall maintain transaction records for a period of five (5) years following the date of any purchase or acquisition of any secondhand goods.

## Section 5. INSPECTION OF RECORDS AND PREMISES.

- (a) The premises and required records of each secondhand dealer are subject to inspection during regular business hours by the sheriff's office and the municipal police department in the municipality where the premises are located to ensure compliance with the record-keeping provisions of this Ordinance for the purpose of the identification and recovery of stolen property and further to determine whether the holding period required by section 6 herein is being complied with.
- (b) The inspection authorized herein shall consist of an examination on the premises of the inventory and required records to determine whether the records and inventory are being maintained on the premises as required by this Ordinance and whether the holding period required by section 6 herein is being complied with.

### Section 6. HOLDING PERIOD (SALE TRANSACTIONS).

- (a) A secondhand dealer shall not sell, barter, exchange, alter, adulterate or in any way dispose of any secondhand goods within fifteen (15) calendar days of the acquisition of the goods. Such holding periods are not applicable when the person, known by the secondhand dealer to be the person from whom the goods were originally acquired, desires to redeem, repurchase, or recover the goods, provided the secondhand dealer can produce the record of the original transaction with verification that the customer is the person from whom the goods were originally acquired and provided that upon redemption the secondhand dealer's record reflects the signature of the redeemer and the date and time of the redemption.
- (b) Upon probable cause that goods held by a secondhand dealer are stolen, a law enforcement officer may extend the holding period to a maximum of sixty (60) days beyond the expiration of the holding period required in subsection (a) of this section and section 538.06(1),

Florida Sta	1
of compete	2
holding is	3
shall assur	4
including i	5
(c)	6
may seize	7
(d)	8
goods thro	9
form of sec	10
who accep	11
possession	12
775.083.	13
Sec	14
It s	15
jurisdiction	16
believe tha	L7
of a lost are	L8
Sec	19
(1)	20
person alle	21
was made	22
petition in	23
	24
	25
County, Flo	26
	2.7
plaintiff's k	2.8

30

Florida Statutes. However, the holding period may be extended beyond sixty (60) days by a court of competent jurisdiction upon a finding of probable cause that the property is stolen and further holding is necessary for the purposes of trial or to safeguard such property. The secondhand dealer shall assume all responsibility, civil or criminal, relative to the property or evidence in question, including responsibility for the actions of any employee with respect thereto.

- (c) Upon confirmation that goods are stolen, a law enforcement officer with jurisdiction may seize the property and process same accordingly.
- (d) A secondhand dealer must maintain actual physical possession of all secondhand goods throughout a transaction. It is unlawful for a secondhand dealer to accept title or any other form of security in secondhand goods in lieu of actual physical possession. A secondhand dealer who accepts title or any other form of security in secondhand goods in lieu of actual physical possession commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

### Section 7. DUTY TO REPORT.

It shall be the duty of every secondhand dealer to report to a law enforcement officer with jurisdiction any article pledged, or sought to be pledged, if the secondhand dealer has reason to believe that the article was either stolen or found by the person attempting to pledge it, in the case of a lost article.

## Section 8. STOLEN GOODS; PETITION FOR RETURN.

(1) If the secondhand dealer contests the identification or ownership of the property, the person alleging ownership of the property may, provided that a timely report of the theft of the goods was made to the proper authorities, bring an action for replevin in the county or circuit court by petition in substantially the following form:

Plaintiff A.B., sues defendant C.D., and alleges:

- 1. This is an action to recover possession of personal property in Palm Beach County, Florida.
- 2. The description of the property is: (list property) . To the best of plaintiff's knowledge, information, and belief, the value of the property is \$
- 3. Plaintiff is entitled to the possession of the property under a security agreement dated , (year) , a copy of which is attached.

1	4. To plaintiff's best knowledge, information, and belief, the property is located
2	at (address) .
3	5. The property is wrongfully detained by defendant. Defendant came into
4	possession of the property by (describe method of possession) . To plaintiff's best knowledge
5	information, and belief, defendant detains the property because (give reasons) .
6	6. The property has not been taken under an execution or attachment against
7	plaintiff's property.
8	(2) The filing fees shall be waived by the clerk of the court, and the service fees shall b
9	waived by the sheriff. The court shall award the prevailing party attorney's fees and costs. It
10	addition, when the filing party prevails in the replevin action, the court shall order payment of filing
11	fees to the clerk and service fees to the sheriff.
12	(3) Upon the filing of the petition, the court shall set a hearing to be held at the earlies
13	possible time. Upon the receipt of a petition for a writ by a secondhand dealer, the dealer shall hole
14	the property at issue until the court determines the respective interests of the parties.
15	(4) In addition to the civil petition for return remedy, the state may file a motion as par
16	of a pending criminal case related to the property. The criminal court has jurisdiction to determine
17	ownership, to order return or other disposition of the property, and to order any appropriate
18	restitution to any person. Such order shall be entered upon hearing after proper notice has been
19	given to the secondhand dealer, the victim, and the defendant in the criminal case.
20	(5) When the lawful owner recovers stolen property from a secondhand dealer and the
21	person who sold or pledged the stolen property to the secondhand dealer is convicted of theft,
22	violation of this section, or dealing in stolen property, the court shall order the defendant to make
23	restitution to the secondhand dealer pursuant to s. 775.089, Florida Statutes.
24	Section 9. CERTAIN ACTS AND PRACTICES PROHIBITED.
25	It is unlawful for a secondhand dealer or any employee thereof to do or allow any of the
26	following acts:
27	(a) Knowingly make a transaction with:
28	(1) Any person who is under the influence of drugs or alcohol when such
29	condition is visible or apparent;
30	(2) Any person under the age of eighteen (18) years; or

- (2) Whether the applicant has been convicted of a felony, and if so, what offense, when, and in what court. "Applicant" includes directors and officers of any and all types of legal entities.
- (3) The name, address, and telephone number of the location where business will be conducted.
  - (4) A recent full face photo identification card.
- (c) All permits will expire on the thirtieth day of September of each year and must be renewed not later than the first day of October of each year. Renewal permits will be issued after completion of an application form and the payment of a three hundred fifty dollars (\$350.00) renewal fee.
- (d) An applicant for a secondhand dealer permit must be a natural person who has reached the age of 18 years.
  - (e) If the applicant is a partnership, all the partners must apply.
- (f) If the applicant is a joint venture, association, or other noncorporate entity, all members of such joint venture, association, or other noncorporate entity must make application for a permit as natural persons.
- (g) If the applicant is a corporation, the application must include the name and address of such corporation's registered agent for service of process in the state and a certified copy of statement from the Secretary of State that the corporation is duly organized in the state or, if the corporation is organized in a state other than Florida, a certified copy of statement from the Secretary of State that the corporation is duly qualified to do business in this state. If the secondhand dealer has more than one location, the application must list each location owned by the same legal entity and shall be issued a duplicate permit for each location.
- (h) If an applicant owns more than one (1) secondhand store location, the application must list each location and a separate permit will be required for each location.
- (i) The secondhand dealer's permit shall be conspicuously displayed at his or/her principal place of business. A secondhand dealer must hold secondhand goods at the registered location until fifteen (15) days after the secondhand transaction or until any extension of the holding period has expired, whichever is later, and must retain records of each transaction which is not specifically exempted by this Ordinance. A secondhand dealer shall not dispose of property at any

location until the holding period has expired unless the transaction is specifically exempted by this Ordinance.

(j) No person, corporation, partnership; joint venture or association issued a permit hereunder shall employ any person who has, within five (5) years of the date of employment, been convicted of any of the following offenses: theft, larceny, dealing in stolen property, receiving stolen property, burglary, embezzlement, obtaining property by false pretenses, possession of altered property, or any fraudulent or dishonest dealing, whether a felony or misdemeanor, or any felony drug offense. The names, dates of birth, race, sex, and addresses of all employees shall be submitted to the sheriff's office at the time of application and within five (5) days of their employment subsequent to application.

## Section 11. SECONDHAND DEALERS; DISPOSAL OF PROPERTY.

- (1) Any personal property pawned with a pawnbroker, whether the pawn is a loan of money or a buy-sell agreement, is subject to sale or disposal if the pawn is a loan of money and the property has not been redeemed or there has been no payment on account made for a period of 90 days, or if the pawn is a buy-sell agreement and the property has not been repurchased from the pawnbroker or there has been no payment made on account within 60 days.
- (2) Every pawn ticket and receipt for such pawn shall have printed thereon notice of the provisions of subsection (1) herein, notice of sale or disposal, notice of intention to sell or dispose of the property without further notice, and consent to sale or disposal. Any such sale or disposal shall terminate all liability of the pawnbroker and shall vest in the purchaser the right, title, and interest of the seller or borrower and the pawnbroker.

## Section 12. DENIAL, REVOCATION OR SUSPENSION OF PERMIT.

- (a) An application for a permit issued under this Ordinance may be denied, or any permit granted may be revoked or suspended, after due notice and hearing, for any one (1) of the following causes:
- (1) Any fraud, misrepresentation or false statement contained in the application for the permit.
- (2) Any fraud, misrepresentation or false statement made in connection with the conduct of the business of a secondhand dealer or concealing any essential or material fact from any person making any purchase or sale.

- (3) Any violation of this Ordinance or any rule or order made pursuant to this Ordinance.
- (4) Conviction or plea of guilty or nolo contendere, within the preceding five (5) years, to a crime against the laws of this state or any other state or of the United States which relates to secondhand dealers or a felony which involves theft, larceny, dealing in stolen property, receiving stolen property, burglary, embezzlement, obtaining property by false pretenses, possession of altered property, or any fraudulent or dishonest dealing, or any felony drug offense. If the permittee is a corporation, association, joint venture or partnership, the provisions of this subsection (4) shall apply if any officer, partner, member or director has been convicted within five (5) years of the above offenses, unless their civil rights have been restored.
- (5) Conducting a business permitted under this Ordinance in an unlawful manner, or in such a manner as to constitute a breach of the peace or a nuisance, or to otherwise constitute a menace to the health, safety or general welfare of the public.
- (6) Committing a fraudulent act in connection with any purchase or sale, or has been or is engaged in or about to engage in any practice, purchase or sale which is fraudulent or in violation of the law.
- (7) Has had a final judgment entered against her or him in a civil action upon the grounds of fraud, embezzlement, misrepresentation or deceit.
- (8) Revocation, restriction or suspension of state registration or its denial by the state.
- (9) Making purchases or sales through any business associate not registered in accordance with this Ordinance.
- (b) Notice of hearing for revocation of a permit shall be given in writing by the sheriff or his designee, or municipal police chief or his designee if the business is located within a municipality, setting forth specifically the grounds therefor and the time and place of the hearing. Such notice shall be delivered or mailed to the permittee at the permittee's place of business at least five (5) days prior to the date set for the hearing.
- (c) The secondhand dealer shall have the right to present evidence and testimony at the hearing. The secondhand dealer shall have the burden of proof by a preponderance of the evidence.
  - (d) In the event the sheriff or his designee or municipal police chief or his designee

determines to deny an application, or revoke or suspend a permit, the sheriff or his designee or municipal police chief or his designee shall enter a written final order within ten (10) days from the date the hearing is concluded, setting forth his findings and conclusions. Denial, revocation or suspension of the permit of a secondhand dealer shall also constitute a denial, revocation or suspension of the permit of such secondhand dealer's business associates.

#### Section 13. PENALTY.

Any person convicted of a violation of any of the provisions of this Ordinance shall be punished by a fine not to exceed five hundred dollars (\$500.00) or by imprisonment in the county jail for a period not to exceed sixty (60) days or by both such fine and imprisonment for each offense.

#### Section 14. APPLICABILITY.

The provisions of this Ordinance shall be applicable in the unincorporated and incorporated areas of the County.

## Section 15. REPEAL OF LAWS IN CONFLICT.

All local laws and ordinances in conflict with any provisions of this Ordinance are hereby repealed to the extent of such conflict.

### Section 16. SEVERABILITY.

If any section, paragraph, sentence, clause, phrase, or word of this Ordinance is for any reason held by the Court to be unconstitutional, inoperative, or void, such holding shall not affect the remainder of this Ordinance.

# Section 17. INCLUSION IN THE CODE OF LAWS AND ORDINANCES.

The provisions of this Ordinance shall become and be made a part of the Code of Laws and Ordinances of Palm Beach County, Florida. The sections of this Ordinance may be renumbered or relettered to accomplish such, and the word "ordinance" may be changed to "section", "article", or other appropriate word.

1	SECTION 18. EFFECTIVE DATE.
2	The provisions of this Ordinance shall become effective upon filing with the Department of
3	State.
4	APPROVED and ADOPTED by the Board of County Commissioners of Palm Beach County.
5	Florida, on this the day of, 2001.
6 7 8	DOROTHY H. WILLEAN CHERK, Board of County Commissioners  PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS
9 10	By: By: Waren H. Newell, Chairman
11 12	APPROVED AS TO FORM AND LEGAL SUFFICIENCY
13 14	By: County Attorney
15	EFFECTIVE DATE: Filed with the Department of State on the $\frac{18 \text{th}}{2}$ day of $\frac{1}{2}$ , $\frac{1}{2}$ .

 $G: \verb|\COMMON\ATTY\WPDATA\ENVIR\LBEBBER\DAWN\ORDINANC \| second hand \| final. ord \\$ 

16

STATE OF FLORIDA, COUNTY OF PALM BEACH I, DOROTHY H. WILKEN, ex-officio Olerk of the Board of County Commissioners certify this to be a true and correct copy of the original filed in my office on and any office of South

DATED at West Palm Beach, FL on 1/ DOROTHY H. WILKEN, Clerk
By: A LANGE BSOUTC